

MINUTES OF THE FEBRUARY 22, 2017 REGULAR MEETING

Directors Present: Barb Bernard, Matt Cordova, Bud O'Hara, Donna Phillips, Ron Serna,
Paul Willumstad

Also Present: Administrator Rick Kidd, Attorney Don Banner

Guests: Mike Cuppy, NorthStar Engineering
Chris Woodka, Southeastern Colorado Water Conservancy District

The regular meeting of the Pueblo Conservancy District was called to order by President Willumstad at 10:34 am. A quorum was present.

Minutes:

The minutes of the January 25, 2017 regular meeting and February 13, 2017 special meeting were reviewed. Serna moved to approve the minutes and Phillips seconded. Motion passed.

Public Forum:

None

Treasurer's Report:

Kidd said the December 2016 report was for year end. Daveline will be meeting with Kock, DeNardo and Kidd later and make recommendations for adjustments in the 2016 Budget. Bernard moved to approve the accountant's report and Cordova seconded. Motion passed.

Bills – Bernard said that she had reviewed the bills for Kidd, NorthStar, ASI, and Lytle. Bernard moved to pay the bills and Serna seconded. Kidd explained that the expenses for the 11th Street Bridge were billed separately by himself and NorthStar. He said that the time commitment to address problems and resolutions was more than he could absorb as the administrator and the additional work required was not in NorthStar's scope of work. Willumstad suggested sending an invoice to Lawrence Construction and keep Earl Wilkinson in the loop. The motion to pay the bills passed. Willumstad asked Kidd to follow up on 11th Street as an agenda item for the next meeting.

The following bills were posted for review and approval:

Vectra:

\$ 425.00	MBD&G, Monthly Accountant fees
\$ 500.00	Banner and Bower, Attorney fees
\$ 1,700.00	Kidd Engineering, Administrator/Engineer fees
\$ 200.00	Bernard, Director's Fee

\$ 200.00	Cordova, Director's Fee
\$ 200.00	Koehler, Director's Fee
\$ 200.00	Maroney, Director's Fee
\$ 124.20	Maroney, Fountain Creek Committee meetings mileage
\$ 200.00	O'Hara, Director's Fee
\$ 200.00	Phillips, Director's Fee
\$ 200.00	Serna, Director's Fee
\$ 200.00	Willumstad, Director's Fee
\$ 139.60	Willumstad, Colorado Senate meeting mileage and parking
\$ 1,050.00	Pueblo Heritage Center, 2017 MOU Dues
\$ 463.73	Special Districts Association of Colorado, 2017 SDA membership dues
\$15,000.00	Pueblo Municipal Corporation, CDOT/DOLA Planning grant match money

CNB Reserve Account:

\$ 0.00

CNB Draw Account:

\$ 1,275.00	Kidd Engineering, Levee Phases 2&3 CA/CO, Construction and Planning meetings
\$ 2,700.00	Kidd Engineering, City of Pueblo 11 th Street Bridge Project
\$35,595.00	NorthStar Engineering, Arkansas Tasks F.3, F.4, and F.5 Construction staking, observation, and testing
\$ 229.00	NorthStar Engineering, Arkansas reimburseables
\$ 1,270.00	NorthStar Engineering, Wildhorse Task D – Construction support services
\$ 690.00	NorthStar Engineering, Maintenance Fund Assessment Support, Appraisal Phase III Services, Property Acquisitions, Artwork and Recreational Opportunities meetings
\$ 4,685.00	NorthStar Engineering, City of Pueblo 11 th Street Bridge Project
\$828,428.44	ASI Construction, Inc., Arkansas Levee Phase 3
\$ 2,605.51	Altman, Keilbach, Lytle et.al., Wildhorse Creek Area Eminent Domain and Land Acquisitions 1-31-17 invoice

President's Report –

Willumstad stated that he mourns and regrets the passing of Director Bill Alt. He will bring a sympathy card for signatures, at the next meeting. Kidd prepared a letter to Commissioner Terry Hart asking the County to appoint a replacement for Alt's position on the Board.

Willumstad signed the letter.

Willumstad said that he went to Denver about two weeks ago to attend a meeting discussing Senate Bill 17-073. The meeting was with Dan Prenslo, of the Colorado Department of Parks and Wildlife, and Senator Leroy Garcia. The bill passed out of committee and is expected to

move forward since there is not a fiscal note. Garcia wants the District, Colorado DPW and the City of Pueblo to discuss concepts for the Runyon Lake area and develop some requests for budgeting for next year. Willumstad said that he would work as the liaison for this. Morgan-Stanley Investment Proposals. Willumstad forwarded the proposals and asked the Board to review them for consideration. Bernard questioned the legality of some of the proposed investments, e.g. Exxon, and their compliance with the State's guidelines. Banner pointed out that these are certificates of deposit, which are FDIC insured, and that is probably why they are okay. It was decided to have Willumstad inform Morgan-Stanley that the Board would not be making any adjustments until the investment policy statement is in place.

Administrator's Report –

Kidd reported that the majority of his work has been relative to the construction project the last month. He read Dave Lytle's email concerning the Court awarding \$2250 back to the District for costs relative to the Wodiuk case, and that future filings by Wodiuk must first be reviewed by the Chief Judge before they could be filed. Willumstad said that he asked Lytle to not respond to Wodiuk issues unless necessary. Banner said that the \$2250 from the Court was put into his trust account.

Property Acquisitions-

Banner said that there is nothing new to report.

Fountain Creek Committees Reports –

O'Hara said that Maroney went to the meetings and he does not know what to report. The next meetings will be in March. Woodka said that they are looking at a dam study. The downstream owners are pushing back against a dam, still claiming that they believe it would adversely impact their water rights. They are also looking at off channel impoundments for storm water storage.

Recreation Committee-

Kidd said that Koehler sent him an email and requested him to let the Board know that the City drafted an RFP for planning services and it has been reviewed by their purchasing department. However, they were informed that they cannot move forward until CDOT authorizes them to after the July 1 start of the next fiscal year. The receipt of the \$15,000 check from the District will allow the City to proceed with meeting the requirements for the DOLA grant, with final approval coming in March.

Arkansas and Wildhorse Levee Construction –

Cuppy said that progress is being made. There is approximately 1000 lineal feet of concrete facing left to do. Approximately 60-feet was placed yesterday before the wind forced them to shut down. ASI hopes to get an additional 60-feet in today. They have started on the new concrete walls at the diversion structure. Work to clean and video the pipes from the diversion structure to the ponds is also scheduled to begin today. Kidd noted that the crew went by earlier. Cuppy said that there are some safety issues that must be addressed for future work at the diversion structure.

New Business:

Maintenance Fund Assessment Resolution – Banner reviewed that the District started out with a \$2.5M loan for the first work on the Levee. Then we went to \$5M and \$10M loans. The last funding was capped at \$10M because that is all that the current income stream would allow financing for. Approximately \$10M more will be required to complete the entire levee system certification work. Banner believes we should look for sufficient financing for the balance of the project, with a payback term of not less than 30 years. He wants to go to the Court, with a Board member, sometime next month. FEMA recognizes the work that remains to be done and has agreed to support the District in Court. They are trying to determine the right person to have make that appearance to the Court. Banner has talked to one owner who has two land parcels in the top 15 MFA costs ranking. He is very supportive of increasing the MFA rate to provide the income stream required for the next loan package. Banner is working to position the District to go to the Court and secure authority to move forward. Hearings will have to be held and notices published. The proposed resolution is as follows:

That any financing needed to fund the balance of the construction costs for repairs of the Arkansas River Levee system be paid back over a term of not less than thirty years.

O'Hara moved to approve the resolution as stated. Bernard and Cordova seconded. Motion passed.

Investment Policy Statement – Bernard said that she used the Government Finance Officer Association outline as a template. Her draft statement proposes that checks require two signatures if they are over \$2000. Willumstad asked and it was agreed that the draft be sent to Morgan-Stanley for their comments. Willumstad asked that consideration of the policy statement be put on the agenda for the March meeting.

Mural Committee Chair – Serna volunteered to be the chair for this committee. The timing for when people could start painting was discussed. Cuppy said that they should stay off until any required warranty patching is completed. They cannot paint at the same time as there is a construction project going. Cordova asked if only certain types of paint should be allowed due to potential contamination from spills.

Other Business:

Kidd said that he will ask Louie Carleo, now, if he is interested in serving as the District's representative to the HARP Foundation. Banner said the Carleo is now the head of the RTA board and doubts that he would be interested.

Banner added a point in the Q&A about how the District is governed. It was decided to direct inquiries to the website rather than listing people's names and contact information.

There being no other business to come before the Board the meeting was adjourned at 12:00 pm. The next regular meeting date will be March 22, 2017, at 10:30 am.

APPROVED:

Paul Willumstad, President

Matt Cordova, Secretary